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## Intelligence in the Colby Era

# CIA in Flux

by Stanley Karnow

When President Truman was contemplating the creation of the Central Intelligence Agency more than a quarter-century ago, Secretary of State George C. Marshall warned against the new organization on the grounds that its "powers . . . seem almost unlimited and need clarification." Since then the CIA has successfully resisted hundreds of attempts by Congress to limit and clarify its powers, and the latest such bid, this time by Senator John G. Stennis of Mississippi, promises to be equally ineffective. Stennis, whose Armed Services subcommittee is supposed to supervise the CIA, has consistently protected it against any serious investigation, control or criticism, and, consistent with that practice, his present bill is less a genuine effort to harness the agency than a diversionary tactic designed to prevent other members of Congress, notably Senator William Proxmire, from pushing through stronger measures. The CIA is likely to emerge unscathed again.

Even so, other pressures have combined to diminish the CIA's influence, and, although it continues to carry on covert and sometimes reckless activities, the agency is not quite the sinister "invisible government" of years past. For one thing its reputation has suffered badly from misadventures like the Bay of Pigs and the secret war in Laos, as well as its tangential involvement in the Watergate scandals, and, as a result, it has fallen prey to the fierce bureaucratic rivalries of Washington. It has gradually become overshadowed by the Defense Department's various espionage services, which now account for about 85 percent of the estimated six or seven billion dollars spent annually by what is known in the idiom of the capital as the "intelligence community." The biggest of the Pentagon outfits is the National Security Agency, whose 25,000 employees manage satellites, fly reconnaissance aircraft, and, among other jobs, monitor open and secret foreign radio communications from some 400 clandestine bases around the world, all on a budget that runs into the billions. In contrast the CIA staff of 15,000 operates on roughly \$750 million per year, and, in many respects, it could not function without military support. Unlike the Defense Department, moreover, the CIA cannot seek funds directly from Congress, but makes its requests to the Office of Management and Budget. Therefore, while he is technically in charge of

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the entire intelligence community, the agency director's theoretical predominance is restricted by his relative poverty. The extent to which the military has reached into intelligence matters was recently reflected in the assignment of two senior officers, Major General Daniel O. Graham and Major General Lew Allen, to key positions inside the CIA. Prior to his shift Graham contended in an unusual article in *Army* magazine that the Pentagon rather than the CIA ought to have the chief responsibility in the field of defense intelligence. "The time is ripe," he wrote, "for the military profession to reassert its traditional role in the function of describing military threats to national security."

More significantly, the importance of the CIA has been pared down over the years by the White House. John F. Kennedy's confidence in the agency was shaken by the Bay of Pigs disaster, and, as the *Pentagon Papers* have vividly revealed, Lyndon Johnson repeatedly ignored pessimistic CIA evaluations of the Vietnam situation that contradicted his preconceived policies. The agency's prestige has dropped even further under President Nixon, partly because his administration has tried to centralize power at the expense of the different Washington bureaucracies and also because his resident foreign policy expert, Henry Kissinger, who served as a counter-intelligence sergeant during World War II, lost patience with many of the CIA's long, elaborate and sometimes inconclusive reports. According to Patrick J. McGarvey, a former intelligence specialist whose book on the CIA was officially cleared, Kissinger once rejected an agency study on Britain and the Common Market with the words "Piece of Crap" scrawled across the cover. McGarvey also disclosed that Kissinger never requested agency analyses on Vietnam, preferring instead to have his own aides produce assessments on the basis of data supplied by the CIA and other intelligence units. This approach led not long ago to the dissolution of the Office of National Estimates, which had been established under CIA auspices to turn out independent, objective intelligence evaluations representing the collective wisdom of all government espionage services. The disappearance of the Office of National Estimates will certainly decrease the flow of paper that has been pouring out of the CIA, but it may also prompt the agency to tailor its interpretations to fit administration policies.

The decline of the CIA is reflected as well in its new director, William Egan Colby, an agency veteran who lacks the stature to stand up to such major Washington figures as Kissinger and Defense Secretary James Schlesinger. Colby was informed of his nomination for the job last spring by General Alexander Haig, the President's chief of staff, rather than by Mr. Nixon himself. A mild-mannered man of 53, some of whose subordinates call him "the bookkeeper," Colby grew up as the son of a peripatetic army officer, graduated from Princeton and originally joined the espionage

establishment during World War II, when he operated behind the German lines in France and Norway as an agent of the Office of Strategic Services, the precursor of the CIA. Friends from those days remember him as phenomenally courageous and intensely faithful to his friends, and yet, as one of them recalled recently, his first loyalty has always been to his superiors and their directives. Another friend of his submits that Colby's character has been shaped by two main experiences: his life as a clandestine operative during the Cold War and his years in Vietnam, where he first served in the early 1960s as the local agency chief and later as boss of the Phoenix program designed to destroy the Vietcong structure in South Vietnamese villages. Colby's courteous facade seems to camouflage the inner *apparatchik* whose devotion to orders can be cold-blooded. Testifying before congressional committees a couple of years ago, for example, he calmly related that his Phoenix program killed 20,587 Vietnamese between 1968 and 1971. A former military intelligence officer in Vietnam by the name of K. Barton Osborne, who challenged Colby's confirmation as CIA director during a Senate Armed Services Committee hearing this summer, called Phoenix an "indiscriminate murder program," buttressing his charge with the claim that suspects were shot or tossed out of helicopters. Although Colby tends to take the cool *c'est la guerre* view, he has at least acknowledged somewhat obliquely that Phoenix was a brutal business. In May 1970, for instance, he advised Americans involved in the program that they could be reassigned without prejudice if they found its activities "repugnant." He also conceded under interrogation by Representative Ogden Reid of New York that innocent Vietnamese may have been assassinated, tortured or jailed:

Reid: My question is: Are you certain that we know a member of the VCI [Vietcong infrastructure] from a loyal member of the South Vietnam citizenry?

Colby: No, Mr. Congressman, I am not.

One of the revelations of Watergate is that former CIA agents like E. Howard Hunt were using the same cloak-and-dagger techniques at home that they used abroad, and that the White House was prepared to employ them for precisely that purpose. To some degree the upper echelons of the agency went along with these illegal practices. Although the National Security Act that created the CIA expressly bars it from "police, subpoena, law enforcement powers or internal security functions," the agency plainly violated its charter in the summer of 1971 when General Robert E. Cushman, Jr., then its deputy director and now the marine corps commandant, provided Hunt with a wig, camera, false identity papers and a speech-alteration device in order to burglarize the psychiatrist of Daniel Ellsberg. Cushman has claimed that he was unaware of Hunt's objective, yet he also instructed agency technicians to develop him for him. In addition the CIA drew up a

"psychological profile" of Ellsberg—again breaking the law that forbids the agency from spying on American citizens. Colby has called these transgressions "deplorable" and other senior CIA officials affirm that the agency stopped short once it realized that it was going beyond bounds. These officials congratulate themselves that the agency has come out of Watergate looking "pretty clean."

But deception is an integral part of the CIA's business, and so questions about its claim to cleanliness inevitably linger. It is still unclear, for example, whether the agency illicitly spied on the US antiwar movement in 1969 and 1970. Richard Helms, the former director and now American ambassador to Iran, has denied that the CIA was engaged in such activities, yet Tom Charles Huston, the architect of the White House intelligence project, has said that Helms was "most cooperative and helpful" in the effort. At this writing Helms is en route to the US to reply to fresh allegations, raised in a *Harper's* article this month by Andrew St. George, that the CIA had infiltrated the Watergate conspirators and knew in advance of their planned break-in. One of the conspirators, Eugenio Martinez, was on a CIA retainer and reported to the agency in late 1971 and again in March 1972 that Hunt was in Miami, presumably in order to recruit operatives for the Watergate job. Colby recently disclosed in response to Senator Howard Baker that Martinez was advised to forget about Hunt, who was then "an employee of the White House undoubtedly on domestic White House business of no interest" to the agency. Martinez's lawyer said just the opposite in court. Nor did the CIA know, Colby has said, that Martinez was participating "in any secret arrangement or relationship that might have involved any domestic clandestine operations." Baker reportedly remains unconvinced. Colby's contentions strain credulity, for they suggest that the CIA, which swallows up data with the voracity of a vacuum cleaner, was neither interested in the activities of a former agent skulking among the Cuban exiles of Miami nor able to keep tabs on one of its part-time stringers. Equally difficult to believe is Colby's claim that he was merely trying to protect the CIA from adverse publicity when he sought to avoid telling Earl Silbert, the Justice Department prosecutor, that it was former White House chief of staff John Ehrlichman who had instructed General Cushman to provide Hunt with the paraphernalia to case the office of Ellsberg's psychiatrist. As Colby himself put it, he "danced around" with Silbert because "we were convinced at a public misunderstanding of CIA involvement in Watergate, and . . . there was a reluctance to drop somewhat inflammatory names in the kind of atmosphere that was around us at the time."

Colby asserted during his confirmation hearing this summer that he was "quite prepared to leave this job" rather than carry out orders he deems to be illegal. But

under flaccid questioning by Senator Stuart Symington, the only Armed Services Committee member present through most of the hearing, Colby carved out enough loopholes to justify a number of dubious CIA operations. Among other things he declined to pledge that "we will never give any other agency of the US government help which it might use in its responsibilities," and, he added, he could envisage situations in which "it would be appropriate" for the CIA to assist a White House official "without its coming to public notice." Colby indulged in similarly fancy footwork during secret hearings on Chile held in early October by the House subcommittee on inter-American affairs.

As Tad Szulc has revealed, Kissinger had laid down US policy toward Chile in September 1970, when he said during a background press briefing that the election of Marxist President Salvador Allende Gossens would lead to a Communist regime and contaminate Argentina, Bolivia and Peru. The CIA had tried to prevent Allende's election by, among other moves, subsidizing to the tune of \$400,000 Chilean news media opposed to him. When that failed the administration became less interested in seeing Allende overthrown than in having his government collapse economically so that, as Assistant Secretary of State Jack Kubisch explained, socialism would be discredited. Testifying before the House subcommittee, Colby agreed with Kubisch and he denied with apparent sincerity that the CIA had either favored or been implicated in the coup in which Allende was ousted and died. He also denied that the agency had financed the Chilean truck strike that sparked the coup. But when Rep. Michael Harrington asked him whether the subsidiaries of US corporations in Brazil and other Latin American countries had subsidized specific anti-Allende demonstrations, Colby responded evasively with replies like, "I would rather not answer the question than give you an assurance and be wrong." He also displayed the toughness of a CIA professional when, disagreeing with Rep. Robert Steele's comment that the killings by the Chilean military had "done no one any good," he said that the slaughter had reduced the chances of civil war and thus "does them some good." Colby's testimony on Chile further indicated that he has no intention of withdrawing the CIA from covert operations overseas, but, as he put it during his confirmation hearing, he will try to keep the agency "out of the kind of exposure" that Laos and other such "larger activities got us into." Hence his outlook is consistent with that of his predecessors, and the prospect is that the CIA will continue, as it does, at present, to spend about half of its budget on clandestine work.

The catalogue of the agency's assorted assets is largely familiar by now. It has run its own radio stations, among them Radio Free Europe, and it currently operates a feature service that distributes slanted newspaper articles to unsuspecting editors around the world. It formerly had books published by the New

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York firm of Frederick A. Praeger, and it still has the influence to persuade other publishers to submit works on the CIA to its censors. One of its largest "private enterprises" is Air America, which controls subsidiaries like Southern Air Transport, Rocky Mountain Airlines and four or five others. And, through various cover organizations, it has at one time or another financed French labor leaders, Latin American journalists, Asian Buddhist monks and African politicians. West German Chancellor Willy Brandt was a CIA beneficiary in the days when the agency was searching for moderate socialists to offset the volatile Kurt Schumacher. The agency also bankrolled Pope Paul VI when, as Cardinal Montini, he headed Italy's anti-Communist Catholic youth movement.

More dramatic CIA operations have included the overthrow of Iranian Premier Mohammed Mossadegh in 1953, the ouster of leftist President Jacobo Arbenz's government in Guatemala a year later, and attempts to unseat Indonesian President Sukarno and Prince Norodom Sihanouk of Cambodia. Popular accounts to the contrary, such flamboyant activities were never undertaken by the agency without the highest authority. Formerly known under other names, that authority today is the Forty Committee, so called because it was established by National Security Council Directive No. 40. Its present chairman is Kissinger, and its members are the deputy secretary of State, the deputy secretary of Defense, the head of the joint chiefs of staff and the CIA director. At one time during the Nixon administration former Attorney General John Mitchell also attended its meetings. The National Security Act of 1947, which created the CIA, is vague on the subject of covert operations. The agency's real charter for "dirty tricks," however, is contained in 10 confidential National Security Council intelligence directives.

The CIA's most ambitious "dirty trick," the abortive invasion of Castro's Cuba, was not only a failure that took the lives of 300 Cubans and four American pilots, but it marked a turning point for the agency. President Kennedy dismissed the bold Ivy League types who had commanded the CIA until then and replaced them with more cautious bureaucrats. The agency would later get into supporting a secret army in Laos of some 30,000 tribal guerillas, and, under Colby's aegis, it would direct the Phoenix "pacification" program in Vietnam. But, in comparison to the CIA's earlier adventures, these could be justified as wartime activities. Meanwhile new technological developments were emerging that would vastly change old espionage methods and, in effect, send the classic spies into retirement.

In 1955 scientists working under CIA auspices constructed a high-altitude airplane, the U-2, that could photograph a golf ball from a height of 70,000 feet. They later invented satellites to do the same job even better. These spies in the sky performed brilliantly

during the Cuban missile crisis of 1962, when they pinpointed the build-up of Soviet rocket sites in Cuba. Now controlled by the National Security Agency, electronic observers keep track of the latest Soviet weapons, and there are radio monitoring systems so acute that they can listen to a Soviet control tower speaking to a Soviet pilot. The Russians, of course, have similar equipment, and the fact that the US and the Soviet Union can watch each other closely has been legitimized in the Strategic Arms Limitation agreement, which allows for "national technical means of verification." As John Newhouse relates in his book, *Cold Dawn*, US electronic intelligence is so accurate that, during one negotiating session, a Soviet officer asked an American delegate not to disclose his knowledge of Russian military affairs to his civilian comrades. The weakness of electronic intelligence, however, lies in its inability to judge an adversary's intentions -- and that is what went wrong in the recent Middle East crisis. Although it had all the data in hand, the CIA failed to forecast the Arab attack, and, as a result, it is engaged at present in examining its errors.

Sophisticated espionage had one defect: it produced huge amounts of data that required interpretation by increasing numbers of specialists. As a consequence the intelligence bureaucracy swelled to enormous proportions. In November 1971 President Nixon instructed Helms to streamline the community, curtail its cost and improve its coordination. Helms had a year in which to survey the problem, but he acted slowly, reportedly because he feared that his own CIA would be downgraded in any reorganization. Mr. Nixon's irritation at this delay was compounded by his annoyance with Helms' refusal to blame foreign regimes for backing US antiwar movements and thereby provide the White House with the rationale to clothe repressive measures in "national security" garb. So, late last year, the President peremptorily sent Helms to Iran, the site of a large CIA mission and one country in which a former agency director could be tolerated as US envoy. James Schlesinger took his place at the CIA and promptly fired about 10 percent of its employees, among them many superannuated paramilitary types. Several agency operatives who had initially detested Schlesinger grew to admire his no-nonsense style. But Schlesinger lasted only five months before the President moved him to the Defense Department. In came Colby, a figure hitherto unknown outside the intelligence apparatus. Senator Kennedy called him "the epitome of the covert man," and Senator Proxmire, noting that "we are not allowed to go back into his employment history and judge his fitness," complained that "we don't really know who Mr. Colby is." Nevertheless the Senate confirmed him on August 1 by a vote of 83 to 13, and consoled itself with the expectation that it would take up reform of the CIA later this year. But so long as the Armed Services and Appropriations subcommittees in Congress monopolize CIA

affairs, authentic reform of the agency is remote.

One of the first serious moves to supervise the CIA was initiated in 1956, when Senator Mansfield and 34 co-sponsors sought to form a joint committee on intelligence patterned after the congressional body that keeps watch on atomic energy matters. Their move was defeated, and the issue lay dormant until 1966, when Senators Fulbright and Eugene McCarthy again tried to strengthen legislative control over the CIA. That effort ended in a hollow compromise. The chairman of the Senate Armed Services Committee invited the three senior members of the Foreign Relations Committee to attend CIA subcommittee sessions, which are rarely held. Still another attempt last year by Senator John Sherman Cooper to compel the CIA to provide Congress with intelligence died in the Armed Services Committee, and Senator Stennis, its chairman, made it clear that he considered regulation of the agency to be sacrosanct. "Spying is spying," he said. "You have to make up your mind that you are going to have an intelligence agency and protect it as such, and shut your eyes some and take what is coming."

Last spring Proxmire proposed that the CIA's budget for covert operations be cut by 40 percent, and he followed up that recommendation with a bill that, among its other provisions, would prevent the agency from engaging in any clandestine activities without the approval of the congressional oversight committees. Proxmire's proposal was matched at the time by

Senator Eagleton's suggestion that the war powers bill, then being debated, include an amendment prohibiting the CIA from any paramilitary operations without congressional authorization. Those potential infringements on the agency's powers apparently alarmed Stennis. He first signaled that he would back the war powers bill on condition that the Eagleton amendment be eliminated, and that tactic worked. Then, evidently aiming to head off Proxmire, he introduced a mild bill that merely reinforces the National Security Act's original injunction against CIA involvement in domestic affairs. And, announcing it with a bit of oratory, Stennis described his bill as insurance that the CIA "will never become the private tool of unscrupulous men, whatever position they may hold."

At the moment the CIA appears to be under tighter White House command than it has been at any time, and this may seem to be, at least in theory, a salutary change from its days as a free-wheeling assemblage of dangerous romantics. Yet the practical question still unresolved is whether the President in control of the agency intends to use it to bolster himself or the national security. Only Congress can guarantee that the administration employs the CIA responsibly, but effective legislation remains to be passed. Until it is the CIA is bound to remain an organization whose powers, as General Marshall warned, are both unlimited and ambiguous, and, more crucially, tempting to an ambitious Executive.